

## Industry Profiles

# Construction Industry



Revised: February 2008

**Alberta**

Employment, Immigration  
and Industry

## Overview:

The Construction industry<sup>1</sup> in Alberta includes:

- establishments that construct, repair or renovate residential buildings (i.e. houses, apartment buildings, condominiums);
- establishments that construct, repair or renovate business and commercial buildings (i.e. office towers, shops, malls);
- establishments that construct, repair or renovate industrial buildings (i.e. oil refineries and, petrochemical plants, power plants);
- engineering works (i.e. highways, bridges, pipelines); and
- places that subdivide and develop land.

### **Section A: Business Environment**

1. [Employment and Unemployment Numbers and Rates](#)

2. [Industry Growth](#)

3. [Company Size](#)

### **Section B: Human Resources Profile**

1. [Occupational Information](#)

2. [Demographics: Age and Gender](#)

3. [Wages](#)

### **Section C: Additional Information**

1. [Links to Industry Associations](#)

2. [Links to Government Library Database](#)

---

<sup>1</sup> North American Industry Classification System (NAICS) major group 23

## Section A: Business Environment

### 1. 2006 Employment and Unemployment Numbers and Rates:

|                                  | Alberta   | Construction Industry |
|----------------------------------|-----------|-----------------------|
| Number of employed               | 1,870,700 | 172,600               |
| Percent employed in the industry |           | 9.2%                  |
| Number of unemployed             | 66,800    | 7,900                 |
| Unemployment rate                | 3.4%      | 4.4%                  |

For more information on employment numbers or for a historical comparison, go to the [Labour Force Survey](#) or [Statistics Canada](#) websites.

### 2. Industry Growth:

- The Construction industry is expected to grow on average 5.2% annually from 2006 to 2011.
- Approximately 50,074 jobs will be created in the forecast period. Employment is expected to increase to 222,649 by 2011.
- This industry is expected to provide 21.2% of all new jobs in Alberta between 2006 and 2011.

For more information, see the [Alberta Modified Canadian Occupational Projection System Outlook](#) (2006-2011) online and the [Alberta Learning Information Service \(ALIS\)](#) website's industry descriptions.

## Outlook

Record investment in oil sands projects is establishing Alberta as a major hub for Canadian construction workers, drawing workers from across the country and continuing growth for trades.

The Construction Sector Council's (CSC) forecast report, *Construction Looking Forward: Labour Requirements from 2007-2015*, sees Alberta having several challenges in competing for and attracting skilled workers to the region due to other provinces, like Saskatchewan, British Columbia, Manitoba, and the Maritimes are also experiencing growth in construction development. As a result, Alberta can expect to see more overtime, enhanced recruitment efforts, increasing travel costs, and greater reliance on inter-provincial mobility and immigration.

The report projects that past 2010, labour market conditions should stabilize to manageable levels and a decrease in demand for some trades is to be expected. This will be offset by increasing retirements. However, oil sands development is likely to continue for the foreseeable future as fast as the availability of labour and materials will allow. As a result, the perception of development slowing down may only be due to the fact that project announcements extend for only about five years.

The CSC projects that while residential investment will remain at relatively high levels, it will likely slow down over the forecast period of 2007 to 2015, due to slower net in-migration. Although investment in residential construction is expected to go down from 2006 levels, the projected investment in 2010 is still higher than the actual investment in 2005. Non-residential investment should still see high investment increases at a slower rate. The outlook for investment in Alberta is an important driver for the demand of construction trades. The CSC current outlook can be seen in the table below.

| <b>Investment Expenditures, Alberta, 2005-2015</b>  |        |        |        |        |        |        |            |
|---|--------|--------|--------|--------|--------|--------|------------|
|   | 2005   | 2006   | 2007   | 2008   | 2009   | 2010   | 2011-2015* |
| <b>Residential Investment</b> (includes new housing and renovations)  |        |        |        |        |        |        |            |
| 1997 \$Millions   | 7,143  | 8,269  | 8,157  | 7,888  | 7,542  | 7,199  | 6044       |
| % Change  | 12.8   | 15.8   | -1.4   | -3.3   | -4.4   | -4.5   | -3.3       |
| <b>Non-residential Investment</b> (includes engineering construction, building construction, industrial construction, commercial construction, institutional and government construction and machinery and equipment) |        |        |        |        |        |        |            |
| 1997 \$Millions   | 50,099 | 54,933 | 61,737 | 66,108 | 67,324 | 65,720 | 63152      |
| % Change  | 18.9   | 9.6    | 12.4   | 7.1    | 1.8    | -2.4   | -0.8       |

Source: *Construction Looking Forward - Labour Requirements for 2007 to 2015 for Alberta*, Construction Sector Council

\*Growth rates are averages for the period, while levels are 2015 values.

### 3. Company Size

| Establishment Size     | Alberta Businesses  |       | Construction Businesses |       |
|------------------------|---------------------|-------|-------------------------|-------|
|                        | Number of Employees | %     | Number of Employees     | %     |
| Less than 20 employees | 525,000             | 34.1% | 55,900                  | 47.1% |
| 20 to 99 employees     | 543,600             | 35.3% | 40,700                  | 34.3% |
| 100 to 500 employees   | 292,400             | 19.0% | 15,200                  | 12.8% |
| Over 500 employees     | 178,900             | 11.6% | 7,100                   | 6.0%  |

Data Source: Labour Force Historical Review 2006, Statistics Canada

## Section B: Human Resources Profile

### 1. Occupational Information:

Some examples of occupations in the Construction industry include:

- bricklayer;
- carpenter;
- electrician;
- roofer; and
- steamfitter-pipefitter.

For a complete listing of all occupations related to this industry as well as detailed information on educational and skill requirements, visit the [Alberta Occupational Profiles](#) website.

### 2. Demographics: Age and Gender

According to the Labour Force Survey, the gender break-down in the Construction industry is as follows:

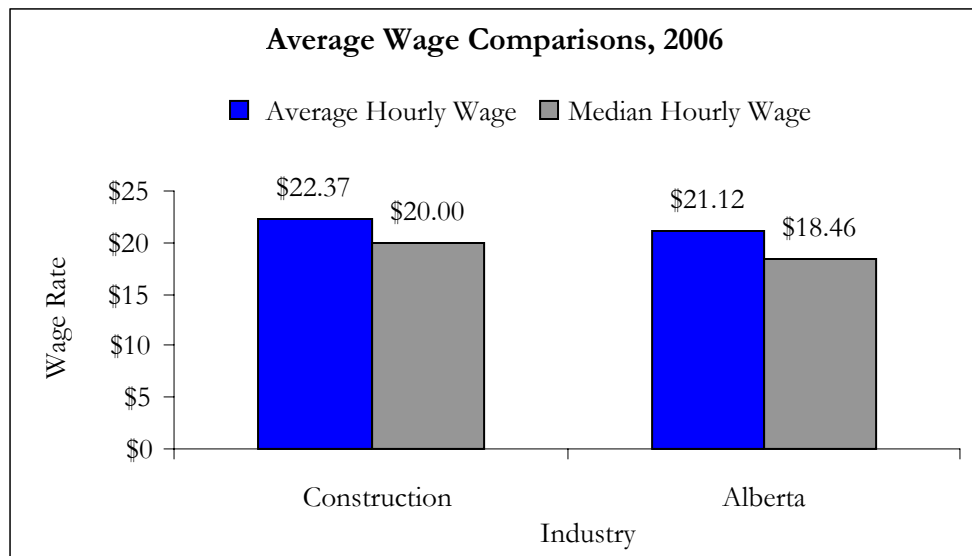
- women employed: 23,500 people, or 13.6%
- men employed: 149,100 people, or 86.4%

In comparison, women accounted for 44.3% and men made up 54.7% of the total employed in Alberta.

| Age Characteristics | Alberta Employees |       | Construction Industry Employees |       |
|---------------------|-------------------|-------|---------------------------------|-------|
|                     | Number            | %     | Number                          | %     |
| 15-24 years         | 329,600           | 17.6% | 31,600                          | 18.3% |
| 25-54 years         | 1,286,500         | 68.8% | 122,300                         | 70.9% |
| 55 years and over   | 254,600           | 13.6% | 18,700                          | 10.8% |

Data Source: Labour Force Historical Review 2006, Statistics Canada

### 3. Wages:



Data Source: Labour Force Historical Review 2006, Statistics Canada

#### Wage and Salary Information for Selected Occupations

| Occupation                            | Average Hourly Wage |               |          | Average Annual Salary |
|---------------------------------------|---------------------|---------------|----------|-----------------------|
|                                       | Starting            | After 3 years | Top      |                       |
| Welders and related machine operators | \$ 22.32            | \$ 29.61      | \$ 45.74 | \$ 89,729             |
| Construction estimators               | \$ 20.68            | \$ 25.01      | \$ 31.67 | \$ 56,253             |
| Other trades helpers and labourers    | \$ 11.69            | \$ 15.05      | \$ 18.61 | \$ 34,105             |

Data Source: 2005 Alberta Wage and Salary Survey

For more information on wages, refer to the [WAGEinfo](#) webpage. For job descriptions, duties, required skills and education for specific occupations in the Construction industry, visit the [ALIS](#) website.

## Section C: Additional Information

### 1. Links to Selected Industry Associations:

- [Alberta Building Trades Council](#)
- [Alberta Construction Association](#)
- [Alberta Construction Safety Association](#)
- [Alberta Roadbuilders and Heavy Construction Association](#)
- [Calgary Construction Association](#)
- [Calgary Region Home Builders Association](#)
- [Edmonton Construction Association](#)
- [Edmonton Region Home Builder's Association](#)
- [Merit Contractors Association](#)

### 2. Link to Government Library Database:

<http://www.servicelink.gov.ab.ca/libraries/workplace/>